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SUBJECT: IRAQ-KUWAIT: IRAQI RHETORIC HEATS UP

REF: A. KUWAIT 562
¶B. KUWAIT 566

Classified By: Charge d'Affaires Robert Ford for reasons 1.4 (b) and (d).
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Summary

¶1. (C) From the Baghdad perspective, the Iraq-Kuwait relationship is getting stickier and it may start to affect U.S.-Iraqi relations eventually. Contrary to rumors, Kuwait has not recalled its Ambassador to Iraq, according to contacts here. However, Kuwait's recent actions opposing lifting Iraq from Chapter VII sanctions have enflamed Iraqi politicians. In widely reported statements to the press, Iraqi parliamentarians have decried the alleged injustice of being punished for Saddam-era international infractions; one MP claims to be drafting legislation to restore the 1963 Iraq-Kuwait border. Senior GOI officials, including the Prime Minister and Speaker of Parliament, have tried to lower the temperature through public affirmations of brotherly relations and solving problems through dialogue. There are bilateral Iraq-Kuwait meetings on technical issues, but there has been no substantial progress. One thing the GOI -- and we -- will have to manage closely is some parliamentarians' linkage of the emotional Chapter VII issue to the U.S.-Iraq bilateral security agreement. Some Iraqi politicians are using perceived U.S. inaction on perceived U.S. commitments about Chapter VII sanctions under the security agreement to criticize the agreement wholesale. Emboffs are urging the Iraqis to keep working the technical issues with the Kuwaitis. Maliki raised the Chapter VII issue with both the President and Secretary this year and is likely to do so again if he visits Washington this summer. End summary.

Tensions Rise over Chapter VII

¶2. (SBU) Kuwaiti lobbying in P-5 capitals and at the Security Council to oppose removing Chapter VII restrictions on Iraq has enflamed nationalist Iraqi public opinion. Citing Iraq's unfulfilled UNSCR obligations -- including border maintenance, identifying the remains of Kuwait's war missing, resettlement of Iraqi farmers, return of stolen archives, demarcation of sea borders, and compensation -- Senior Advisor to the Kuwaiti Amir Mohammed Abu al-Hassan in media reports seen here told the Kuwaiti press May 25 that "no country which has international resolutions cast upon it can do what it wants to do and ignore what it wants to ignore." He said that Iraq's release from Chapter VII "must not come before Iraq guarantees to completely fulfill international resolutions. This must also come with UN certification, not Kuwaiti or Iraqi certification." GOI spokesman Ali Dabbagh responded via "Sharq al-Awsat" June 1 that "We want

all countries to understand, especially Kuwait, that they should not be an obstacle to getting Iraq out of Chapter VII or sanctions that negatively affect the Iraqi people and have made them suffer immensely."

¶3. (U) The sharpest responses, all widely reported in the media, came on both sides from parliamentarians. On the Iraqi side, Christian MP Yonnadam Kanna called for the opening of "a new page" in Iraqi-Kuwaiti relations and echoed a familiar Iraqi theme: Iraqis' sense of injustice that they are having to suffer for the Saddam regime's actions. (Note: The Prime Minister has privately described this as Iraqis being punished twice: once by the Saddam regime and now by the UNSCRs. End note.) Independent Iraqi MP Safia al-Suheil lamented that Kuwait hasn't "relented" despite Iraq's diplomatic efforts, and said Iraq would refer the issue to the Arab League. Tawafuq MP Izz Qwouda referred the issue to the Arab League. Tawafuq MP Izz al-Din al-Dawla called on Kuwait to compensate Iraq for the "psychological and financial damage inflicted on the Iraqi people" by its provision of logistical support to the U.S. for its "invasion of Iraq." Tawafuq MP Ahmed al-Allwani told the press June 4 that some Iraqi MPs are drafting a bill in an attempt to revise the Iraq-Kuwait border to what it was in 1963 and recover "confiscated" Iraqi territory.

In Public Iraqi Senior Officials' Tone Measured

¶4. (SBU) Speaker of Parliament Ayad al-Samarraie appears to be trying to tamp down the rhetoric. On June 1, he announced

BAGHDAD 00001481 002 OF 004

that Parliament would summon Foreign Minister Zebari to explain pending bilateral issues, but stressed that "relations between Iraq and Kuwait are still strong and historic." Samarraie met with Kuwaiti Ambassador to Iraq Ali al-Mou'min on June 3. Samarraie called for the formation of a joint parliamentary committee to resolve outstanding issues. Al-Mou'min expressed regret over the noisy "media escalation", noting that bilateral issues are best discussed in diplomatic channels.

¶5. (SBU) Recent public statements by Iraqi senior officials also appear to be aimed at calming tensions. Following his June 3 meeting with Ambassador Al-Mou'min, Prime Minister Maliki issued a statement noting that "Commitment to calmness and dialogue between both sides could resolve problems inherited from the era of the former regime." Vice President Hashmi also met with Al-Mou'min, after which he expressed a desire for the "brotherly countries" to "speed up the process to start joint committees to resolve discrepancies that have been recently broadcast in the news and press."

But They're Angry Behind Closed Doors

¶6. (C) Privately, however, our contacts here tell us that Iraq's relations with Kuwait are difficult. Ali Dabbagh told PAO on June 3 that the Maliki and Ambassador Mou'min was "not positive" and that the atmosphere had been tense. Al-Mou'min gave Deputy Political Counselor a similar readout June 4. Dabbagh and al-Mou'min noted that both sides are seeking UN involvement in resolving current tensions and Chapter VII issues. Asked about GOI-GOK debt settlement discussions, Finance Minister Jabr told EMIN on June 3 "Forget it." Jabr noted that the GOK's recent statements opposing lifting Iraq from Chapter VII had dimmed prospects for progress on the GOI's desire to reduce Kuwait's current compensation payment rate of five percent of Iraqi oil revenues to one or two percent. He asserted that GOK officials have been making "inflammatory"

public statements on Chapter VII, and some parliamentarians have responded in kind, but the GOI has not. Jabr also suggested that the GOK's stance on debt settlement is linked to Iraq's debt discussions with the Saudis, which have made no progress at all. During a June 2 meeting with EMIN, DPM Issawi complained that Kuwait was still unwilling to engage in bilateral negotiations on debt compensation and other issues, believing it would get more traction in the UN framework.

¶7. (C) PM Senior Advisor Sadiq Rikabi told Emboffs June 4 that the GOK has been uncooperative and its public statements unhelpful on the Chapter VII issue. He complained about the GOK's demand that Iraq satisfy all Kuwaiti grievances before it will support removal of Chapter VII status. This includes returning all war victims, remains, which Rikabi noted would require combing the ground from Basrah to Mosul as Iraq is full of the remains of victims from the Saddam regime. He said Kuwaiti bluster in the media also increases the political heat surrounding the issue in Iraq, because Iraqis feel humiliated by such a small country claiming to hold sway over Iraq's international status. Rikabi reported, however, that the PM sent a message yesterday through the Kuwaiti Ambassador to the Kuwaiti Emir appealing to him to help calm the situation. Rikabi said that there are real disputes to be resolved between the two countries, particularly the maritime border. He praised the American Ambassador's recent press statement as positive and timely, and asked Emboffs for Opress statement as positive and timely, and asked Emboffs for U.S. advice and assistance in developing a mechanism to resolve these disputes constructively with Kuwait. (The Ambassador's June 4 meetings with Maliki and Samarai will be reported septels.)

The Kuwait/Security Agreement Nexus

¶8. (C) Complicating matters, the Kuwait issue has begun to become entwined with the public debate on the U.S.-Iraq bilateral security agreement. Article 25 of the agreement states that "Iraq should return to the legal and international standing that it enjoyed prior to the adoption of UNSCR 661 (1990), and the United States shall use its best efforts to help Iraq take the steps necessary to achieve this by December 31, 2008." Several parliamentarians dissatisfied with Kuwait's action to keep Iraq under Chapter VII have asked poloffs why the U.S. is not living up to its Article 25 obligations by pressuring Kuwait. The argument some anti-American parliamentarians are making is that since the Americans allegedly are not helping on the Kuwait/Chapter VII issue, there is no need to have the U.S.-Iraq bilateral security agreement. (Comment: Iraqis

BAGHDAD 00001481 003 OF 004

tend to gloss over Article 25's recognition that Iraq must take further steps before Chapter VII restrictions are removed. End comment.)

¶9. (C) For example, Dawa MP Ali al-Alaq lamented to poloffs that Amiri Advisor Abu Hassan said that Secretary Clinton had supported Kuwait's position. A growing number of Iraqi MPs tell us that the U.S. at best is avoiding its responsibility, or at worst, taking Kuwait's side in blocking efforts in New York to lift sanctions on Iraq. Poloffs assured al-Alaq that the U.S. would live up to its security agreement commitments as well as facilitate better relations between Iraq and Kuwait. Foreign Relations Committee member and Independent United Iraqi Alliance (UIA) MP Jaber Habib Jaber told the media on June 3 that U.S. commitments to help remove Iraq from Chapter VII were made for the purpose of gaining approval of the security agreement and, if the Kuwaiti efforts to keep Iraq under Chapter VII succeed, he pledged to mount a strong campaign to have the agreement canceled.

Kuwaiti Ambassador Staying in Place

¶10. (C) There were media reports late June 3 that Kuwait had recalled its Ambassador to Iraq. Al-Mou'min told Deputy PolCouns that evening that, despite calls from Kuwaiti MPs for the GOK to recall him, the Kuwaiti MFA wants him to stay in place. He said that he had been planning to return to Kuwait on leave, but the MFA asked him to stay for another month lest his departure be misinterpreted. He noted, however, that Kuwaiti FM Dr. Mohammed al-Sabah had called him earlier that day to ask that he return briefly to Kuwait so that he could join him for questioning in the Kuwaiti parliament on June 7. Al-Mou'min planned to depart Baghdad the afternoon of June 14. He also noted that Kuwaiti FM Dr. Mohammed would travel to London to see FM Zebari. We checked with Zebari's Chief of Staff who denied that the Iraqi MFA had heard anything from the GOK on the recall of the Kuwaiti ambassador. He attributed the recall rumors to irresponsible Iraqi parliamentarians. (Comment: According to Embassy Kuwait, UNAMI SRSG Steffan de Mistura also heard from Dr. Mohammed during their June 10 meeting that he would be meeting his Iraqi counterpart soon, and in fact that FM Zebari would be coming to Kuwait for discussions and to defuse things, but perhaps this was a garble on de Mistura's part. End Comment.)

¶11. (C) Despite the recent war of words, MFA-sponsored working-level bilateral engagement continues. An Iraqi team visited Kuwait in mid-May to discuss the Safwan border crossing, and the MFA sent a delegation to the May 15 UN Claims Commission meeting in Amman to discuss the approximately \$24 billion in outstanding claims as well as environmental awards. An Environment Ministry-MFA delegation is now in Kuwait to continue that conversation. Officials from the MFA and the Iraqi Embassy participated in the Technical Sub-committee of the Tripartite Commission on Missing Persons in Kuwait on June 1 (ref b).

Way Ahead

¶12. (C) We will continue to encourage bilateral technical cooperation on border maintenance, relocation of Iraqi farmers encroaching on the Kuwaiti border, returning missing persons and property, and improving the Safwan-Abdaly border crossing. The key here is to keep productive technical-level cooperation on track. In addition, we'll keep reminding the Iraqis that they should appoint an ambassador to Kuwait. We will also keep pressing for Iraqi action draft MOU on wreck-removal in the Khor Abdullah QIraqi action draft MOU on wreck-removal in the Khor Abdullah that the MFA sent to the Prime Minister's office ten months ago which would facilitate maritime border delineation activities. The Iraqis could also invite a Kuwaiti technical team to look for the remains of missing Kuwaitis - a point we have raised here in the past and which has not caused objection, at least in principle.

Comment

¶13. (C) There are different dynamics in Iraq's decision-making on Kuwait. Within the executive, the Iraqi MFA supports rapprochement. The Prime Minister's office, however (especially Maliki's Legal Advisor Dr. Fadel), takes a harder line. The personal animosity between FM Zebari and PM Maliki exacerbates this policy disagreement. At the same time, the Iraqi parliament is getting injecting

relations with Kuwait is the belief among many in the parliament, the Prime Minister's office, and the public that they are being unjustly punished for the actions of the previous regime. In this regard, the compensation issue, whereby wealthy, small Kuwait continues to insist on five percent of war-torn Iraq's oil revenues, is particularly resonant. Moreover, some Iraqis in post-Saddam Iraq do not genuinely recognize that Kuwait is an independent, sovereign state. Given these sensitivities, we don't see much prospect of rapid improvement in Iraqi-Kuwaiti relations. This issue, therefore, may well come up again during the Prime Minister's possible visit to Washington, as it did during the President's visit to Baghdad in March.

FORD